



A Case Study

Economics of Hi-tech floriculture-A study in rose

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SUMMARY : Floriculture has a bright future and prospects. There is a great export market for modern flowers. It is worthwhile for India to increase its production of flowers in view of the tremendous demand for flowers from European and western countries. The cost of growing flowers in India is less compared to Holland, Israel, France but the quality should be maintained. There was vast scope for furthering floriculture provided some facilities like research in cut flowers availability of good seed and planting materials are created. There was not much variation in the cost of establishment of Hi-tech rose units in Bangalore and Dharmapuri, where as cost of cultivation of Hi-tech rose was more in Bangalore compared to Dharmapuri. Freight charges account for the major cost of cultivation. Hi-tech rose unit in Bangalore was more profitable compared to Dharmapuri hi-tech rose unit.

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Key Words :

Cut flowers, Planting materials, Yield and returns

BACKGROUND AND OBJECTIVES

India has a wide range of climatic and soil conditions which enable cultivation of an array of horticultural crops such as fruits, vegetables, floricultural plants, plantation crops, spices, medicinal and aromatic plants.

Floriculture has emerged as one of the leading industries in the world. Over the past decade, this sector has emerged as a viable diversification option for generating large foreign exchange earnings. The world market in floriculture is estimated at US \$ 50 billion. The floriculture industry is growing at a rate of 17 per cent per annum. Major exporting countries are Netherlands (53%), Columbia, Ecuador, EU, Israel, Kenya, and Zambia. The major importing countries are Germany, UK, USA, France, and Netherlands. Domestic market is growing at rate of 25 per cent annually.

The export of cut flower for all countries is about 3500 tonnes which values about 35 crores. The major flower producing states are Karnataka, Tamil Nadu, Andhra Pradesh, West Bengal and Maharashtra.

The Department of Agriculture and Co - operation in February 1999 defined hi-tech floriculture as “any floriculture technology, which is modern, less environment dependent, capital intensive and has the capacity to improve the productivity and quality of any floriculture crop.”

Export of cut flowers:

Export of cut flower has been shown in Table 1. In 2000-2001 exported quantity was 4000 tonnes and in 2004-2005 it is decreased to 3470 tonnes. The export value of cut flowers in the year 2004-2005 was 35.35 crores compared to previous year which was 45.74 crores. Export value was increasing up to 2004 -2005 then it is decreased.

Growth of flower industry in India:

Area under flowers in India during 1993-1994 was 0.53 lakh ha which increased to 1.16 lakh ha in 2004-2005 (Table 2). The production of loose flowers also increased from 2.3 lakh MT in 1993 - 1994 to 6.5 lakh MT in 2004-2005. The production of cut flower also increased from 555 lakh stems to 1952 lakh stems. Export value of flowers in 1993-

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